## **REMARKS**

In the Office Action mailed from the United States Patent and Trademark Office on September 28, 2004, the Examiner rejected claims 1-8, 10-22 and 24-29 under 35 U.S.C. 102(e) as being anticipated by Hammons (United States Patent No. 6,477,509, hereinafter "Hammons"), and rejected claims 9 and 23 under 35 U.S.C. 103(a) as being unpatentable over Hammons. Accordingly, Applicants respectfully provide the following:

## Rejections under 35 U.S.C. 102

Applicants respectfully submit that Hammons does not anticipate the claim set as provided herein. "A claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference." *Verdegall Bros. v. Union Oil Co. of California*, 814 F. 2d 628, 631 (Fed. Cir. 1987). Applicants respectfully submit that the cited reference does not teach every aspect of the amended claim set as provided herein and therefore do not anticipate the claims of the present invention. Please note that Hammons teaches a method of utilizing a management fund as a middleman between the information provider and the system user, wherein the present invention claims sales representatives that sale directly to customers. The benefits of this shift are discussed in the background of the present application, and the differences between the present application and Hammons naturally flow from this distinction.

Hammons fails to teach incorporating personal information into promotional material. Hammons teaches targeted advertising selected to match criteria supplied by the information provider. Hammons, col. 6 lns 60-63. Thus, Hammons teaches a method wherein the manufacture of goods, the "information provider," establishes criteria which describe the type of customer to which its targeted advertising should be sent. The present invention claims incorporating personal information into promotional material. Specification, at 4 lns 5-61, 21-25 ("the promotional materials contain the personalized message of the sales representative who referred the customer, thereby allowing the sales representative to personally and specifically promote the goods to the customer"); Specification, at 5 ln 11-19 ("the personalized message is preferably entered by the sales representative...and printed directly from the entered message onto the promotional materials.") Because, the present invention incorporates personal information from the sales representative to the customer on the promotional material, while Hammons discloses a method wherein the "information provider" markets directly to the customer, Hammons fails to teach each and every element of the present invention.

Hammons fails to disclose a method, wherein orders are received from customers including a means of identifying the sales representative. Instead, Hammons discloses a method wherein system users spend money held in user accounts, which is "transferred to the management fund and routed to the information provider who will typically be a merchant, to pay for purchases...The information provider pays the management fund a sales commission for each sale of product." *Hammons*, col 7 lns 52-

67. Thus, as disclosed by Hammons, a system user, referred to the management fund by another system user, makes a purchase through the management fund from a merchant who is an independent manufacture of goods. The present invention claims a method, wherein a customer may lodge an order directly with the manufacture, not through the sales representative, and the sales representative receives a credit because the order includes a means of identifying the sales representative. *See e.g., Specification*, at 11 lns 10-24. Because Hammons does not teach a method, wherein orders are received from customers including a means of identifying the sales representative Hammons fails to teach each and every claim limitation of the present invention.

Hammons does not disclose a method for crediting a sales representative with a sale from the distributed promotional goods. Instead, Hammons discloses a method, wherein "[t]he information provider pays the management fund a sales commission for each sale of product." *Hammons*, col 7 lns 52-67. In order to read the Hammons disclosure on the present application it appears that the Examiner is attempting to equate "sales representatives" with a "management fund." "Sales representatives" of the present application are not the same as the "management fund" disclosed in Hammons. This conclusion is elucidated by comparing figure 5 of Hammons with the claims of the present application read in light of the specification. First, the management fund is a centralized agency that coordinates all orders from system users and the information providers, while "sales representatives" are many, diverse and interact independently with customers. Second, figure 5 of Hammons indicates that the management fund pays the system user a sign up incentive, sends targeted product

information to the system user, and sends products to the system user. The present application does not claim a method wherein a sales representative gives customers a commission for purchasing items. Further, sales representatives do not sent targeted product information to the customers, instead promotional materials are sent directly to the referred customers from a centralized distributor. *See Claim 1*. Finally, sales representatives do not send products to customers, instead purchased products are sent directly to the customer from a centralized distributor. Because sales representative from the present application are not the same as the management fund in Hammons, Hammons fails to disclose each and every claim limitation of the present invention.

Accordingly, Applicant respectfully submits that the cited references do not teach every aspect of the claims as provided herein and therefore do not anticipate nor make obvious the claims as provided herein. For these reasons and the reasons stated above, rejection of the claims under 35 U.S.C. § 102 is respectfully requested to be withdrawn.

## Rejections under 35 U.S.C. § 103

In the Office Action, the Examiner rejected claims 9 and 23 as being unpatentable over Hammons. Applicants respectfully traverse. Because these claims are dependent, Applicants assert that they are allowable for at least the reasons stated above.

## CONCLUSION

Applicants submit that the amendments made herein do not add new matter and that the claims are now in condition for allowance. Accordingly, Applicants request favorable reconsideration. If the Examiner has any questions or concerns regarding this communication, the Examiner is invited to call the undersigned.

DATED this <u>48</u> day of December, 2004.

Respectfully submitted,

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